COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GENERAL ADJUSTMENT IN GAS RATES OF UNION LIGHT, HEAT AND POWER COMPANY	)))	CASE NO. 9029

O R D E R

IT IS ORDERED that Union Light, Heat and Power Company ("ULH&P") shall file an original and 12 copies of the following information with the Commission by July 13, 1984. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to insure that it is legible. Where information requested herein has been provided along with the original application, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. When applicable, the information requested herein should be provided for total company operations and jurisdictional operations, separately. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

1. ULH&P Exhibit No. 7 shows that the Eagle Creek Aquifer had a net original cost of $1,317,926 ($1,822,127 - $504,201) as of April 30, 1982, the date the facility was abandoned. Based on the expected loss from abandonment of $1,890,054 which was allowed in Case No.'s 8373 and 8419, the capital cost ($1,317,926) to be recovered represents 69.73 percent of the total amount being amortized. Provide any reasons why the Commission should not apply this percentage to the $262,500 that has been amortized through the end of the test year to determine how much of the $1,317,926 capital cost has been recovered.

2. Item No. 6 of the response to the Commission's second information request provides the derivation of the test-year interest expense allocated to Kentucky gas operations. Explain why the beginning-of-year net plant ratio is used for this allocation.

3a. Has ULH&P replaced the $1,500,000 3.5 series first mortgage bond, on line 3 of Exhibit No. 3, page 5, of Mr. Mosley's prefiled testimony?

b. If the answer to 3a is yes, what type of security replaced the first mortgage bond?

c. If the 3.5 series first mortgage bond was replaced by long-term debt or bank loans, file an update of Exhibit No. 3, page 5, of Mr. Mosley's prefiled testimony.

Done at Frankfort, Kentucky, this 6th day of July, 1984.

PUBLIC SERVICE COMMISSION

Richard D. Heman Jr.

For the Commission

ATTEST:

Secretary